



**NUCLEAR DECOMMISSIONING AUTHORITY
BOARD MEETING**

Minutes of the meeting of the Nuclear Decommissioning Authority (“NDA”) Board held on 24 May 2022 at 10:30 at the DoubleTree Hotel, Victoria, London

Present (Board Members):	
Ros Rivaz - Chair	Francis Livens - Non-Executive Member
David Peattie - Chief Executive Officer	Alex Reeves - Non-Executive Member
Janet Ashdown – Senior Independent Director	Chris Train – Non-Executive Member
*Volker Beckers - Non-Executive Member	Mel Zuydam - Chief Financial Officer

In attendance:	
*Alan Cumming - Chief Operations and Performance Improvement Officer	*Simon Tucker - Group Head of Digital and Information Governance - for item 12
Matthew Shaw - Acting Group General Counsel and Company Secretary	*Martin Chown - Chief Executive Officer, Sellafield Limited - for item 14
*[Minute redacted – s.40 Personal] Deputy Company Secretary	[Minute redacted – s.40 Personal], Sellafield Limited - for item 14
Paul Vallance - Group Director of Communications and Stakeholder Relations	[Minute redacted – s.40 Personal], Sellafield Limited - for item 14
Clive Nixon - Chief Nuclear Strategy Officer - for item 9	[Minute redacted – s.40 Personal], Sellafield Limited - for item 14
[Minute redacted – s.40 Personal] Strategy Programme Manager - for item 9	[Minute redacted – s.40 Personal] NDA Head of Sanction - for item 15
David Medlock - Group Director of Land and Property - for item 9	David Redpath - Director of Performance Improvement - for item 15
Melanie Brownridge - Technology and Innovation Director - for item 10	Hannah Wynne - Director of Risk - for item 11
Frank Rainford - Group Director of Security & Corporate Services - for items 11, 12 and 18	Jeremy Harrison - Group Director of Risk and Assurance - for item 11 and 15
*Mike Barber - HR Director, Group People Strategy - for item 11	[Minute redacted – s.40 Personal] Group Financial Controller - for item 17
*[Minute redacted – s.40 Personal] Programme Manager - for item 11	[Minute redacted – s.40 Personal] Project Advisor, Business Planning – for item 17
[Minute redacted – s.40 Personal] Group Chief Information Officer - for item 12	

* Attendance via MS TEAMS

AGENDA ITEM		Action Owner
1.	Apologies	
1.1.	It was noted that apologies for absence had been received from E Dickey. There were no further apologies for absence, and it was noted that the meeting was quorate.	
2.	Conflicts of Interest	
2.1	The Board considered the register of interests and NOTED the interests recorded. No new interests were declared, and the Board APPROVED that all Board members could participate fully in the meeting.	
3.	Minutes of the previous meeting	



3.1	The minutes of the meeting held on 26 th and 27 th April 2022 were approved for signing subject to recording an action to revisit the discussion on Group Strategic Risk 13 - Legal Risk Management at item 14 in 6 - 12 months.	
4.	Decision Log	
4.1	The Board noted the record of decisions from the April Board meeting.	
5.	Action update	
5.1	<p>The Board considered the update on actions arising from previous meetings and focused on:</p> <p>1678 – Terms of Reference for the IRP work - the Chair provided an update on the meeting held the previous day with the Independent Review Panel (IRP) and the discussion of the scope of the IRP's review. It was noted that the associated terms of reference would now be finalised with input from the IRP and the Board. It was agreed that action 1678 could be closed.</p> <p>1679 – Legal Function Organogram - it was noted that the organogram for the Legal team had been circulated to the Board ahead of the meeting and this could be closed.</p> <p>1680 - Budget Ranges on Major Project Spend - M Zuydam provided an update on the work being done to make the budget life cycle on major projects clearer in performance packs. A revised due date for completion of the action would be set.</p> <p>1682 - Ensuring SMART parameters for Group Key Targets - M Zuydam provided an update on the work to develop the Group Key Targets for the next financial year and invited Board Members to attend a workshop with him and the Director of Business Planning so that they could input in this process. It was noted that action 1683 (<i>SMART Group Key Targets Annual Workshop</i>) would be reallocated from M Shaw to M Zuydam.</p>	
6.	Chair's observations	
6.1	R Rivaz noted the excellent work undertaken at Sellafield to complete the first retrievals from the Magnox Swarf Storage Silos and congratulated the Chief Executive and his team on the completion of the Group Operating Framework. The Chair reported on the recent visit to Dounreay by herself, J Ashdown, and C Train, along with members of the BEIS sponsorship team, which had included a visit to the Ministry of Defence's Vulcan site. It was intended that a visit to Springfields would be arranged in the near future.	
6.2	An update was provided on the recruitment of a new Non-Executive Board Member who would hopefully be appointed in July and who would chair the Audit and Risk Assurance Committee (ARAC). It was noted that V Beckers' term of appointment had been extended until October 2022 to allow him to complete some ongoing ARAC work and that this would also give time for a transition to the new ARAC Chair. It was also noted that a dinner would take place at the July Board meeting to mark V Beckers and R Holden stepping down from the Board.	
6.3	R Rivaz also provided an update on the forthcoming internally facilitated Board effectiveness review.	
7.	CEO's update	
7.1	D Peattie provided an update on the establishment of Great British Nuclear and the support the NDA was giving to the project. It was noted that [Minute redacted – s.40 Personal] had been appointed to lead the sprint team which would do the initial work over the summer to draw up the blueprint for the organisation but that he would not lead it. It was further noted that the Government had sought resource from the NDA group. It had subsequently been agreed that Gwen Parry-Jones, CEO of Magnox Limited, would spend 40 to 50% of her time on the project for 8-10 weeks over the summer, Peter Welch, Business Development Director of Nuclear Waste Services, would spend 100% of	



	his time and [Minute redacted – s.40 Personal] from the NDA’s Government Relations team would spend 20% of her time.	
7.2	The Board received an update on proposed ministerial changes at BEIS. It was noted that the NDA’s Minister would not change and would remain [Minute redacted – s.40 Personal]. D Peattie shared his experience of dealing with Minister Hands and explained some of the challenges he had made to some NDA projects going through the system for approval.	
7.3	D Peattie highlighted the upcoming end to Magnox Reprocessing and the Magnox Swarf Storage Retrievals as success stories and the recent announcement by President Biden of a shipment of nuclear material from Japan to Savannah River which had been facilitated by the NDA group.	
7.4	The Board were shown a video highlighting the Group Key Targets for the coming year which had been shown at the recent NDA staff away day.	
8.	Safety and Covid 19 update	
8.1	A Cumming provided his report to the Committee and noted the forthcoming Environment, Health, Safety and Security Committee meeting on the 14 th June at which a more detailed brief would be given. He highlighted that the reintroduction of site visits post COVID, and the additional scrutiny this would bring, was anticipated to improve the increase in incidents of cut and compressed hand type injuries. It was noted that there had been signs of slight improvements on environmental performance across the group, that discussions at the Accounting Officer reviews had been more open and that a simpler set of performance metrics were being developed to help track performance.	
8.2	A Cumming also reported on relationships with the regulators and that his primary concern was the potential for industrial action at the sites because this would have an impact on health and safety at the sites and on the achievement of the Group’s key targets.	
One NDA & Strategy		
9.	Land use and Small Modular Reactors	
9.1	D Peattie introduced the item and explained to the Board that this was a fast moving topic and that there was increasing demand from a number of sources to use the NDA’s land for a variety of projects. As an illustration, he highlighted that the team had recently been asked to agree at very short notice a Government announcement about a collaboration with Cwmni Egin, a Welsh Government development vehicle, to support potential future development at Trawsfynydd.	
9.2	D Peattie reported on how the team were looking at how they could support the creation of the body Great British Nuclear as it gets up and running and highlighted that the Appendix to the paper gave some examples of the types of requests which had been made and the need to take a structured approach to considering them because some were more credible than others.	
9.3	C Nixon provided an overview of the paper and explained some of the factors which would be relevant in determining which might be credible. He also explained the work of the Strategic Land Management Group and the establishment of a central team to consider all requests holistically. It was noted that in some cases there might be a need for a quick turnaround on decisions and for the Board to be agile. The Board discussed holding ad hoc Board meetings and the possibility of delegating approvals to a small group of Board members.	
9.4	The Board considered the proposal and thought it was helpful to see examples of the types of activities being proposed. The Board agreed that it would also be helpful to understand exactly what the NDA can and cannot do on its sites and how far it can go in	



	building relationships with developers. M Shaw provide an overview of the NDA's vires under the Energy Act 2004 and explained how this applies to the NDA's own sites in comparison to the AGR stations which were currently not owned by the NDA.	
9.5	The Board reflected on the increasing interest in the NDA's land, sites and capabilities, by BEIS and external parties, and requested that the NDA legal team be involved in the team being created to consider the requests, that this topic be covered in more detail at the July strategy day and that the Board be notified of any interests progressed to the stage of engagement between the NDA and third party's legal teams.	
10.	Technology and Innovation	
10.1	A Cumming and M Brownridge provided the Board with an overview of the technology and innovation work being conducted across and on behalf of the NDA group and how this supported the NDA mission.	
10.2	M Brownridge provided an overview of the way in which the technology and innovation work was now progressed across the group and highlighted how much easier it was in the post Parent Body Organisation environment because the PBOs had been reluctant to share ideas and technology. She also highlighted the "radical innovations" discussions which were being facilitated around the group which sought to encourage radical thinking.	
10.3	The Board challenged the team to embrace the radical thinking and to be willing to fail in order to identify real innovations. F Livens highlighted the really good progress which had been made in this area and reiterated how different making progress in technology and innovation was under a PBO model.	
10.4	The Board also considered the interaction of the technology and innovation work with the NDA's socio-economic obligations, how the work in this area should be funded, what was an appropriate amount of R&D for an organisation such as the NDA, how any innovations should be commercialised once they passed the research and development phase, how the NDA should work with private companies in these areas and how the NDA could embed technology and innovation into its contracts by making it a key part of the procurement process.	
11.	Group Strategic Risk 006 - <i>NDA Group fails to deliver due to inappropriate structures, interface arrangements and behaviours</i>	
11.1	The Board noted the deep dive information update on Group Strategic Risk 6. F Rainford introduced the item and M Barber provided an overview of the risk matrix to the Board. The Board noted that this risk was about the legacy behaviours and poor relationships across the group and referenced the work of the Group Operating Framework which it viewed as a critical document in mitigating against this risk.	
11.2	The Board debated how the Group Operating Framework was important for clarifying the role of the NDA and the operating businesses but was in practice a restatement of existing arrangements. The Board also discussed the ongoing work being undertaken by JMW and some of the preliminary findings of that work.	
11.3	The Board asked how the Group Operating Framework was landing across the group and why there was not reference to the work being done by JMW around the Sellafield and NDA relationship in the risk dashboard. F Rainford explained how the Group Operating Framework had been rolled out across the group and gave an update on the status of the passage of the Group Operating Framework through the operating company Boards. It was noted that the boards of Nuclear Transport Solutions, Nuclear Waste Services and Magnox Limited had approved the framework and were supportive and that the only Board which still had to consider it was Sellafield. It was noted that the Sellafield board review was likely to be the most challenging. The Board discussed the varying degrees of	



	support and buy in from the operating companies and asked that this be articulated in the risk mitigation measures articulated in the deep dive information update	
11.4	During discussions an inconsistency between the wording between the description of GSR006 in the cover paper and deep dive information update was identified and the Board asked for this to be corrected.	
12.	NDA Digital and Cyber Strategies	
12.1	F Rainford introduced both strategies and cited them as examples of good cross group working which sought to set out one vision and a set of common principles which could be applied across the group.	
12.2	On the Digital Strategy he explained that the approach was to have a standard approach which utilised a common language and terminology based upon industry best practice. It was noted that the Cyber Strategy worked on the basis that the group was stronger and better protected working together in this area to enable the decommissioning mission with the safe and secure use of technology.	
12.3	The Board considered the strategies and commended them both for the collaborative way in which they were produced. Comments were made about the audience for the documents not being clear, that the tone of them both could be less muted or apologetic and that they would benefit from some worked examples which illustrated their benefits. F Rainford acknowledged that the strategies could be more ambitious and that the approach might have been different if the group was starting from scratch but, given that each member of the group has been doing something slightly different, the focus had been on ensuring some consistency across the group first and driving out expertise and training from the centre, particularly in relation to cyber.	
12.4	The Board asked what the regulators thought of the strategies and the team confirmed that the Office for Nuclear Regulation (ONR) had seen them and that the National Cyber Security Centre had also reviewed the strategies and that they were both supportive and recognised the stronger together ethos.	
12.5	The Board ENDORSED publication of the NDA Group Digital Vision and Strategy 2022-25 and the NDA Group Information Security and Cyber Resilience Strategy 2022-27 subject to consideration of the incorporation of the comments made by the Board.	
Programmes and Projects		
13.	Programmes & Projects Committee update	
13.1	C Train provided an update on the recent Programmes & Projects Committee meeting which was unusual because the Committee had no formal decisions to take. He reported that the Committee discussed the work being done to improve the sanction packs, the feedback from the recent Programmes and Projects Committee Chairs' meeting, the work being done on the Hex contract at Springfields and a brief from [Minute redacted – s.40 Personal] on improvements being made to programmes and projects generally.	
13.2	It was noted that the Committee had also received a brief from [Minute redacted – s.40 Personal] on the Skills Beacon project and from [Minute redacted – s.40 Personal] on the work being done to develop a revised Lifetime Plan for Dounreay. In addition, the Committee had had a lengthy discussion on the Integrated Review Response items it had been asked to consider. The focus of the discussion had been on whether or not the evidence being presented to close out those actions demonstrated that the work done to satisfy the action was having a tangible impact and making improvements. It was noted that the assurance update scheduled to be provided at the Committee meeting was deferred because of the lengthy discussion on the Integrated Review Response.	
14.	Sanction: AGROP PBC	



14.1	[Minute redacted – s.40 Personal] outlined the purpose of the AGR Operating Programme and that the purpose of the business case was to ensure that the system was fit for purpose for the future to enable the NDA to fulfil its contractual obligations to receive spent fuel from EDF.	
14.2	[Minute redacted – s.40 Personal] provided the Board with more detail on the programme, the defueling programme, the assumed rates at which fuel would be received at Sellafield and the capacity required in the ponds to store the fuel.	
14.3	[Minute redacted – s.36 Policy]	
14.4	The Board ENDORSED the AGR Programme Business case for onward presentation to BEIS and asked for confirmation of when the case is to be presented to the BEIS Project Investment Committee. The Board also asked that the reliance of the programme on the dismantler at Sellafield be highlighted to BEIS.	J Harrison A Cumming
14.5	[Minute redacted – s.36 Policy]	
15	Sanction Forward Plan	
15.1	[Minute redacted – s.40 Personal] provided the Board with an overview of the sanction matters which would be presented to the Board in the coming months, with two in June and three in September. He also noted that the NDA was seeing an increase in the number of conditions being imposed by the BEIS Project Investment Committee on NDA matters going through the approval process.	
Governance and Culture		
16.	Group Litigation report	
16.1	M Shaw provided the Board with an overview of the key matters on the Group Litigation Report. [Minute redacted – s.36 Policy]	
16.2	[Minute redacted – s.36 Policy]	M Shaw
17.	Annual Report and Accounts	
17.1	M Zuydam provided an overview of the forward plan to finalise the Annual Report and Accounts and the steps which would be taken running up to the June Board meeting at which the Board would be asked to sign off the accounts.	
17.2	The latest draft of the Annual Report and Accounts had been circulated to the Board prior to the meeting and the Board discussed the draft generally and provided feedback including that: <ul style="list-style-type: none"> • future versions should not be circulated via Board IQ because the platform alters the formatting and makes it hard to read; • the Governance Statement and the RemCo and People reports needed some further work; • there should be reference to the significant ethics and compliance matters which had been handled within the last 12 months and that reference to this should be made in the s172 report; • the Board Member biographies required more consistency and to better demonstrate the collective skills of the Board; • the annual report needed to say more about sustainability; and • the record of meeting attendance should be checked. 	
17.3	The Board asked for its feedback on the annual report and accounts to be incorporated into the next version of the document and for hard copies of the next iteration to be sent Board members.	M Zuydam
18.	Integrated Review Response	



18.1	F Rainford provided an overview of the current status of the Integrated Review Response actions and highlighted three actions which the Board was being asked to approve the responses to at the meeting.	
18.2	The Board discussed each of the three actions proposed for approval and concluded as follows: <i>DR4 - The NDA Board should keep the balance between core mission activities and pursuing commercial opportunities to secure additional revenue under review - This action was not approved because it was recognised that there needs to be a commercial process developed to evaluate potential commercial opportunities to determine whether, for example, they fit within the NDA's vires and complement the NDA's existing mission. It was agreed that the action would be brought back to the Board in September once the business development process had been developed. It was agreed that the last paragraph of the response would be updated to read "There will be ongoing development and improvement to the Commercial Blueprint in accordance with HMG guidance over time and the Energy Act 2004"</i>	
18.3	<i>DR12 - Board effectiveness reviews - the Board APPROVED the content of this response but felt that the answer was too long and defensive and asked that it be redrafted to be much more concise setting out what steps had been taken and those which would be taken.</i>	
18.4	<i>MI 4.41 - ensuring that the Boards of procuring authorities have a non-Executive Director with experience of procurement - the Board APPROVED the content of this response but asked that it be amended to make reference to the Board's skills matrix.</i>	
19.	CFO Update	
19.1	M Zuydam presented the P1 2022/23 performance pack and provided the Board with an update on the plans to improve performance reporting so that the Board received a copy of a performance report in the main meeting pack rather than the day before a Board meeting. He explained the process for creating and approving the performance pack and outlined that in future a copy of the latest performance pack available at the time the meeting packs were produced, which is likely to be the previous month's, would be included in the pack. M Zuydam would discuss further offline with V Beckers how to improve quarterly reporting to the Board e.g. the inclusion of a summary of the quarterly performance meetings, the resulting top priorities, identified risk and opportunities etc.	
20.	Committee reports	
20.1	A Reeves provided an update on the Remuneration Committee meeting that had taken place that morning and which had approved the participants in the Long-Term Incentive Plan (LTIP) for the next period, reviewed executive performance and approved the outturn of the Short-Term Incentive Plan. It was noted that the multiplier for the 2019-2022 LTIP outturn had been discussed and would be concluded either offline or with an additional meeting.	
20.2	There were no other committee reports.	
21.	Forward agenda	
21.1	The Board discussed the forward agenda and noted that governance matters were now being placed at the end of agenda. It was agreed that the heading used in the forward plan would be "One NDA and Culture", "Programmes and Projects" and "Governance". The Board also discussed the possibility of removing the October Board meeting from the schedule of meetings.	
22.	AOB	
22.1	There being no other business the meeting closed at 16.49.	